

Preserving Social Security's Purchasing Power for South Dakota Seniors

By Stephanie Herseth Sandlin

Growing up in South Dakota I spent time with my grandmother, Lorna Herseth, who taught me a lot about what's important in life, particularly the importance of taking care of others around you. She always served as an example of the kind of person I aspired to be. As medical and other costs increase, it's important to remember to take care of our seniors, who often rely on Social Security and an automatic cost-of-living adjustment, or "COLA," to make ends meet. Many South Dakotans count on the fact that they will receive a modest COLA each year. This week's announcement that there will be no automatic Social Security COLA in 2011, despite rising costs for seniors, presents us with a choice, and I believe we have to honor our commitment to seniors.

It's important to remember that whether there is an automatic COLA or not is determined by a formula, not by a vote that Congress takes each year. The formula for determining whether there will be a COLA in 2011 looked at whether there was an increase in the Consumer Price Index from the third quarter of 2008 through the third quarter of 2010. This will be the second year in a row without an automatic COLA. 2010 was the first year without an automatic COLA since the COLA went into effect in 1975. In 2009, beneficiaries received a COLA of 5.8%, the largest increase since 1982. Currently, the Social Security trustees expect the formula won't provide an automatic COLA again until 2012.

The COLA is intended to preserve the purchasing power of Social Security, by increasing benefits to keep pace with consumer costs. I have serious concerns about how the lack of a COLA in 2011 could affect many seniors in South Dakota who rely on Social Security and are facing rising health care costs, as well as losses in savings. Many seniors in South Dakota need a COLA to make ends meet.

That's why I support the Seniors Protection Act of 2010. This bill would ensure that seniors,

veterans and people with disabilities who receive Social Security receive a \$250 payment to cover rising costs.

Social Security is the guaranteed backbone of many Americans' retirement. I believe preserving and protecting it for current and future generations must be a national priority. That's why I've consistently opposed privatizing Social Security. I will continue fighting to preserve the retirement security that Social Security provides for South Dakota's seniors.

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